

THE CINCINNATI INSURANCE COMPANY

THE CINCINNATI CASUALTY COMPANY

THE CINCINNATI INDEMNITY COMPANY

## NOTICE TO POLICYHOLDERS

Please be advised that in your application for insurance you disclosed information to The Cincinnati Insurance Company, The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The information disclosed in the application and all information subsequently collected by any of these companies may be shared among all three.

AUTOMOBILE

**THE CINCINNATI INSURANCE COMPANY**  
CINCINNATI, OHIO

**BUSINESS AUTO COVERAGE PART DECLARATIONS**

**ITEM ONE**Attached to and forming part of POLICY NUMBER: CAA 514 79 34 Effective Date: 11-26-2009Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS****ITEM TWO****SCHEDULE OF COVERAGES AND COVERED AUTOS**

This coverage part provides only those coverages where a premium or "incl" is shown in the premium column below. The limit of insurance for each coverage listed is subject to all applicable policy provisions. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form shows which autos are covered autos)	LIMIT	PREMIUM				
LIABILITY	7,8,9	\$ 1,000,000	INCL				
PERSONAL INJURY PROTECTION (or equivalent No-fault coverage)	5	Separately stated in each P.I.P. endorsement minus \$NONE Ded.	INCL				
ADDED PERSONAL INJURY PROTECTION (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement					
PROPERTY PROTECTION INSURANCE (Michigan only)		Separately stated in each P. P.I. endorsement minus \$ Ded for each accident					
AUTO. MEDICAL PAYMENTS		\$					
UNINSURED MOTORISTS	7	\$ 1,000,000	INCL				
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	7	\$ 1,000,000	INCL				
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA218 Ded. For each covered auto. But no Deductible applies to loss caused by Fire or lightning. See Item Three for hired or borrowed "autos"	INCL				
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		Actual cash value or cost of repair, Whichever is less minus \$ Ded. For Each covered auto. For loss caused by mischief or vandalism. See Item Three for hired or borrowed "autos"					
PHYSICAL DAMAGE COLLISION COVERAGE	7	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA218 Ded for each covered auto. See Item Three for hired or borrowed "autos".	INCL				
PHYSICAL DAMAGE INSURANCE TOWING AND LABOR		\$ for each disablement of a private passenger auto					
PREMIUM FOR ENDORSEMENTS		*ESTIMATED TOTAL PREMIUM	INCL				
FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:							
AA218	03/06	AA101	03/06	CA0159	02/02	AA258UT	07/06
AA259UT	07/06	AA4126UT	02/04	AA4127UT	02/02	CA2244	03/99
CA944	12/93						

\* This policy may be subject to final audit

**QUICKREFERENCE**

**COMMERCIAL AUTO COVERAGE PART**  
**BUSINESS AUTO COVERAGE FORM**  
**READ YOUR POLICY CAREFULLY**

**DECLARATIONS PAGES**

Named Insured and Mailing Address  
 Policy Period  
 Description of Business  
 Coverages and Limits of Insurance

**SECTION I - COVERED AUTOS****Beginning on Page**

Description of Covered Auto Designation Symbols .....	1
Owned Autos You Acquire After the Policy Begins .....	1
Certain Trailers, Mobile Equipment and	
Temporary Substitute Autos .....	2

**SECTION II - LIABILITY COVERAGE**

Coverage .....	2
Who is an Insured .....	2
Coverage Extensions	
Supplementary Payments .....	2
Out of State .....	3
Exclusions .....	3
Limit of Insurance .....	5

**SECTION III - PHYSICAL DAMAGE COVERAGE**

Coverage .....	7
Exclusions .....	7
Limit of Insurance .....	8
Deductible .....	8

**SECTION IV - BUSINESS AUTO CONDITIONS**

Loss Conditions	
Appraisal for Physical Damage Loss .....	9
Duties in the Event of Accident, Claim, Suit or Loss .....	9
Legal Action Against Us .....	9
Loss Payment - Physical Damage Coverages .....	9
Transfer of Rights of Recovery Against Others to Us .....	10
General Conditions	
Bankruptcy .....	10
Concealment, Misrepresentation or Fraud .....	10
Liberalization .....	10
No Benefit to Bailee - Physical Damage Coverages .....	10
Other Insurance .....	10
Premium Audit .....	10
Policy Period, Coverage Territory .....	10
Two or More Coverage Forms or Policies Issued by Us .....	11

**SECTION V - DEFINITIONS .....** 11**COMMON POLICY CONDITIONS**

Cancellation  
 Changes  
 Examination of Your Books and Records  
 Inspections and Surveys  
 Premiums  
 Transfer of Your Rights and Duties under this Policy

**ENDORSEMENTS (If Any)**

The Cincinnati Insurance Company  
 Automobile Schedule - Business Auto  
 Item Three

Attached to and forming a part of Policy Number CAA 5147934, effective 11/26/2009

The insurance afforded for any automobile is only with respects to such and so many of the coverages as are indicated by specific premium charge or charges indicated.

POLICY LIMITS

Liability: CSL 1,000,000	UM/UIM: 1,000,000
	UMPD: N/A
Medical Payments: N/A	
'IP: Basic (with WC)	Ded: Full
	1.000/1.000

1	2008 CHEVY EXPRESS VAN VIN#: 1GNFH154281148197 C/N: 30,000 Terr: 101							ZipCode: 84088
	Class: 03199	OTC Comp Ded: 1,000	Coll Ded: 1,000					
	BI 1,185	PD Incl	MP N/A	OTC 94	COLL 354	UM 58	PIP 6	TOTAL 1,697
2	2008 CHEVY EXPRESS VAN VIN#: 1GNEH154381148564 C/N: 30,000 Terr: 101							ZipCode: 84088
	Class: 03199	OTC Comp Ded: 1,000	Coll Ded: 1,000					
	BI 1,185	PD Incl	MP N/A	OTC 94	COLL 354	UM 58	PIP 6	TOTAL 1,697
Hired and Non Owned				# of Employees: 5				
Class: 6601								
	BI 33	PD Incl	MP N/A	OTC N/A	COLL N/A	UM N/A	PIP N/A	TOTAL 33
total	BI 2,403	PD Incl	MP N/A	OTC 188	COLL 708	UM 116	PIP 12	TOTAL 3,427

**BUSINESS AUTO COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS.

**SECTION I - COVERED AUTOS**

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

**A. Description of Covered Auto Designation Symbols****SYMBOL      DESCRIPTION**

**1 = ANY "AUTO".**

**2 = OWNED "AUTOS" ONLY.** Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.

**3 = OWNED PRIVATE PASSENGER "AUTOS" ONLY.** Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.

**4 = OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY.** Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.

**5 = OWNED "AUTOS" SUBJECT TO NO-FAULT.** Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.

**6 = OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW.** Only those "autos" you own that because of the law in the state where

they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

**7 = SPECIFICALLY DESCRIBED "AUTOS".** Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in ITEM THREE).

**8 = HIRED "AUTOS" ONLY.** Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

**9 = NONOWNED "AUTOS" ONLY.** Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

**B. Owned Autos You Acquire After the Policy Begins**

1. If Symbols 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces

an "auto" you previously owned that had that coverage; and

- b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

#### C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.

"Mobile equipment" while being carried or towed by a covered "auto".

3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II - LIABILITY COVERAGE

#### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

#### 1. Who is an Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a cov-

ered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

#### 2. Coverage Extensions

##### a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) re-

quired because of an "accident" we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

#### b. Out-of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

#### B. Exclusions

This insurance does not apply to any of the following:

#### 1. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the "insured" or which is in fact expected or intended by the "insured", even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

#### 2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

#### 3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### 4. Employee Indemnification and Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" sustained in the "workplace";
- b. An "employee" of the "insured" arising out of the performance of duties related to the conduct of the "insured's" business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. or b. above.

This Exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract" other than a contract or agreement with a labor leasing firm. For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### 5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

#### 6. Care, Custody or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### 7. Handling of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### 8. Movement of Property by Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor ve-

hicle insurance law where it is licensed or principally garaged.

#### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

#### 11. Pollutant

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or

- (3) Being stored, disposed, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. of this exclusion does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

However, this exception to Paragraph a. does not apply if the fuels, lubricants, fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed or released.

Paragraphs b. and c. of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.

d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (1) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
- (2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraph d.(1) does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor.

## 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This

insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

#### C. Limit of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

We will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

#### D. Mobile Equipment Subject to Motor Vehicle Insurance Laws

As respects SECTION II - LIABILITY COVERAGE any land vehicle, which would qualify as "mobile equipment", except that it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, is considered a covered "auto" under SECTION II - LIABILITY COVERAGE, irrespective of the Auto Designation Symbols shown for SECTION II - LIABILITY COVERAGE in the Declarations.

### SECTION III - PHYSICAL DAMAGE COVERAGE

#### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

##### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

##### b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

##### c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### 2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs

incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

#### 3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

#### 4. Coverage Extensions

##### a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered

b. **Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. **War or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.
3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:
  - a. Wear and tear, freezing, mechanical or electrical breakdown; or
  - b. Blowouts, punctures or other road damage to tires.
4. We will not pay for "loss" to any of the following:
  - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
  - b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
  - c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
  - d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.
5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

#### C. Limit of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

### SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

#### A. Loss Conditions

##### 1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

##### 2. Duties in the Event of Accident, Claim, Suit or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

(1) How, when and where the "accident" or "loss" occurred;

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

(1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

(2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

(4) Authorize us to obtain medical records or other pertinent information.

(5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

### **3. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

### **4. Loss Payment - Physical Damage Coverages**

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

### **5. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Cov-

erage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

## **B. General Conditions**

### **1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

### **2. Concealment, Misrepresentation or Fraud**

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

### **3. Liberalization**

If within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the later of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### **4. No Benefit to Bailee - Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

**5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:
  - (1) Excess while it is connected to a motor vehicle you do not own.
  - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

**6. Premium Audit**

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

**7. Policy Period, Coverage Territory**

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the Policy Period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:
  - (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
  - (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

**8. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

## SECTION V DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
  2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.
- However, "auto" does not include "mobile equipment".
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".
- "Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":
- a. That are, or that are contained in any property that is:
    - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
    - (2) Otherwise in the course of transit by or on behalf of the "insured";
    - (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or
  - b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place

- where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G. "Insured" means any person or organization qualifying as an insured in the Who is an Insured provision of the applicable coverage.

Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract":

1. Means:

- a. A lease of premises;
- b. A sidetrack agreement;
- c. An easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- f. That part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

2. Does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- 1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2. Vehicles maintained for use solely on or next to premises you own or rent;
- 3. Vehicles that travel on crawler treads;
- 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
- 5. Vehicles not described in Paragraphs 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers.
- 6. Vehicles not described in Paragraphs 1., 2., 3., or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a. Equipment designed primarily for:

- (1) Snow removal;
  - (2) Road maintenance, but not construction or resurfacing; or
  - (3) Street cleaning;
- b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalies, chemicals, petroleum, petroleum products and their by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:

1. The "insured" is regularly or otherwise engaged in activities which taint or degrade the environment; or

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

### (Broad Form)

1. The insurance does not apply:

- A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with

2. The "insured" uses, generates or produces the "pollutant".

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

1. Damages because of "bodily injury" or "property damage"; or
2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

Q. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of the "accident".

respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

- B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazard-

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **UTAH CHANGES**

For a covered "auto" licensed or principally garaged in, Utah, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes in Liability Coverage**

1. Paragraph b.(6) is added to the Who is an Insured Provision in the Business Auto Coverage Form by the following and supersedes any provision to the contrary:
  - b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
    - (6) Your customers, if your business is shown in the Declarations as a rental company. However, if a customer of yours has no other valid and collectible insurance, they are an "insured", but only up to \$65,000 for each "accident", which is the minimum combined single limit of liability specified by UTAH CODE ANN. Section 31A-22-304.

Rental company means any person or organization in the business of providing private passenger motor vehicles to the public under the terms of a rental agreement.

### **B. Changes in Conditions**

1. The Legal Action Against Us Condition does not apply.
2. Transfer of Rights of Recovery Against Others to Us is changed by adding the following:
  - a. We shall be entitled to a recovery only after the "insured" has been fully compensated for damages.
  - b. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
3. The Concealment, Misrepresentation or Fraud Condition is replaced by the following:

### **FRAUD OR MISREPRESENTATION**

Subject to UTAH CODE ANN. Section 31A-21-105, this Coverage Form may be voided in the event of fraud or misrepresentation by you or any other "insured" relating to:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

Page 20 of 40  
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**UTAH UNDERINSURED MOTORISTS COVERAGE**

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as a Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Utah, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM****GARAGE COVERAGE FORM****MOTOR CARRIER COVERAGE FORM****TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below.

Endorsement Effective:	Policy Number:
11-26-2009	CAA 514 79 34
Named Insured:	
CLOUDNINE RESORTS-SKY LODGE MANAGEMENT LLC	

**SCHEDULE**

Limit of Insurance	
\$ REFER TO AA218	Each "Accident"

(If no entry appears above, information required to complete this endorsement would be shown in the Declarations as applicable to this endorsement.)

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or operator's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".

The insured shall be required to prove all elements of the "insured's" claim that are necessary to recover from the owner or operator of the "uninsured motor vehicle".

2. We will pay under this endorsement only if a. or b. below applies:

- a. The limits of insurance under all applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or

b. A tentative settlement has been made between an "insured" and a person(s) or organization(s) who may be legally responsible for the "accident", or the insurer or legal representative of such person(s) or organization(s), of the "underinsured motor vehicle"; and we

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 5 business days after receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without our written consent to both the "suit" and the judgment is not binding on us.

**B. Who is an Insured**

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds".
  - a. Natural persons specifically listed as a Named Insured on this endorsement; in the Declarations of this Coverage Form;
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement;
  - c. Any natural person, but only for injuries that occur while "occupying" an "auto" for which coverage is provided in this Coverage Form or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction; and
  - d. Any natural person, but only for damages he or she is entitled to recover because of bodily injury sustained by an "insured" described in Paragraphs B.1.a., b. or c.
2. If an entity other than a natural person is listed as a Named Insured on this endorsement, and no natural persons are listed as a Named Insured in the endorsement, the following persons are "insureds":
  - a. Any natural person, but only for injuries that occur while "occupying" an "auto" for which coverage is provided in the Coverage Form or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.
  - b. Any natural person is an "insured" but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph B.2.a.
  - c. Anyone else "occupying" a covered "auto" or temporary substitute for a covered "auto", except your customers, if your business shown in the Declarations as a rental company. However, if the customer of the rental company has no policy of motor vehicle insurance, they are "insured", but only up to \$20,000 for each "accident", which is the minimum combined single limit of liability or \$25,000/\$50,000 for each "accident", which is the minimum split limits of liability specified by UTAH CODE ANN. Section 31A-22-304. This supercedes any provision to the contrary. If the auto is a temporary substitute, the covered "auto" must be out

of service because of its breakdown, repair, servicing, "loss" or destruction.

Rental Company means any person or organization in the business of providing private passenger motor vehicles to the public under the terms of a rental agreement.

3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown on this endorsement.
4. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto", except your customers, if your business is shown in the Declarations as a rental company. However, if the customer of a rental company has no policy of motor vehicle insurance, they are "insured", but only up to \$20,000 for each "accident", which is the minimum combined single limit of liability or \$25,000/\$50,000 for each "accident", which is the minimum split limits of liability, specified by UTAH CODE ANN. Section 31A-22-304. This supercedes any provision to the contrary. If the auto is a temporary substitute, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

Rental company means any person or organization in the business of providing private passenger motor vehicles to the public under the terms of a rental agreement.

5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

#### C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar laws.
3. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to, or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly ac-

quired or replacement "motor vehicle" covered under the terms of the Coverage Form.

4. "Bodily injury" suffered by any person while operating or "occupying" a "motor vehicle" without a reasonable belief that he or she is entitled to do so. Under no circumstances will a person whose license has been suspended, revoked or never issued be held to have a reasonable belief that he or she is entitled to operate a "motor vehicle".
5. Punitive or exemplary damages.

#### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services or death due to and arising out of any one "accident" is the limit of **Underinsured Motorists Coverage** shown in the Schedule or the Declarations.
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement and any Liability Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally liable.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any personal injury protection benefits, pension statutes or similar laws.

#### E. Changes in Conditions

The **Conditions for Utah Underinsured Motorists Coverage** are changed as follows:

1. With respect to an "underinsured motor vehicle", the **Other Insurance Condition** in the Business Auto and Garage Coverage Forms and **Other Insurance Primary and Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

b. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible uninsured motorists insurance. We will pay only the amount by which the limit of insurance for this coverage exceeds the limits of such other insurance.

- c. If the coverage under this endorsement is provided:

- (1) On a primary basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of insurance bears to the total of all applicable limits of insurance for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of insurance bears to the total of all applicable limits of insurance for coverage on an excess basis.

2. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought.
- b. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of the claim or "suit". Cooperation includes identifying all parties who may be responsible for the "accident" and all insurers who may be obligated to provide coverage.
- c. A person seeking Underinsured Motorists Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and a person(s) or organization(s) who may be legally responsible for the "accident", or the insurer or legal representative of such person(s) or organization(s) of the "underinsured motor vehicle" and allow us to advance payment to that "insured" in an amount equal to the tentative settlement within 5 business days after receipt of notification to preserve our rights against the person(s) or organization(s) who may be legally responsible for the "accident", or the insurer or legal representative of such

"Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails or any similar vehicle.

3. "Occupying" means in, upon, getting in, on, out or off.
4. "Underinsured motor vehicle" means a "motor vehicle" or "trailer" for which the sum of the limits of coverage available for payment to the "insured" under all liability bonds or policies covering person(s) or organization(s) liable to the "insured" at the time of the "accident" are less than the limit of insurance available for payment to the "insured" under this endorsement.

However, "underinsured motor vehicle" does not include any "motor vehicle":

- a. Owned by any governmental unit or agency.

- b. Designed for use mainly off public roads while not on public roads.
- c. For which no liability bond or policy at the time of the "accident" provides at least \$65,000 for each "accident", which is the minimum combined single limit for "bodily injury" liability or \$25,000/\$50,000 for each "accident", which is the minimum split limits of liability, specified by UTAH CODE ANN. Section 31A-22-304.
- d. Owned or operated by a self-insurer under any applicable motor vehicle law, other than Utah motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- e. Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- f. For which liability coverage is afforded under this Coverage Form.

Page 24 of 40  
**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTAH UNINSURED MOTORISTS COVERAGE**

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as a Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Utah, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below:

Endorsement Effective:	Policy Number:
11-26-2009	CAA 514 79 34
Named Insured:	
CLOUDNINE RESORTS-SKY LODGE MANAGEMENT LLC	

**SCHEDULE**

LIMIT OF INSURANCE	
\$ REFER TO AA218	Each "Accident"

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or operator's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. We will pay under this endorsement only if the limits of insurance under all applicable liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a "suit" brought without our written consent to both the "suit" and the judgment is not binding on us.

**B. Who is an Insured**

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specifically listed as a Named Insured on this endorsement;
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement;
  - c. Any natural person, but only for injuries that occur while "occupying" an "auto" for which coverage is provided in the Coverage Form or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its break down, repair, servicing, "loss" or destruction; and.

- d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs B.1.a., b. or c.
  
- 2. If an entity other than a natural person is listed as a Named Insured on this endorsement, and no natural persons are listed as a Named Insured in the endorsement, the following persons are "insureds"
  - a. Any natural person, but only for injuries that occur while "occupying" an "auto" for which coverage is provided in the Coverage Form or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.
  
  - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph B.2.a.
  
  - c. Anyone else "occupying" a covered "auto" or temporary substituted for a covered "auto", except your customers, if your business is shown in the Declarations as a rental company. However, if the customer of the rental company has no policy of motor vehicle insurance, they are "insured", but only up to \$20,000 for each "accident", which is the minimum combined single limit of liability or \$25,000/\$50,000 for each "accident", which is the minimum split limits of liability, specified by UTAH CODE ANN. Section 31A-22-304. This supercedes any provision to the contrary. If the auto is a temporary substitute, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  
- Rental Company means any person or organization in the business of providing private passenger motor vehicles to the public under the terms of a rental agreement.
  
- 3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown on this endorsement.
  
- 4. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto", except your customers, if your business is shown in the Declarations as a rental company. However, if the customer of a rental company has no policy of motor vehicle insurance, they are "insured", but

only up to \$20,000 for each "accident", which is the minimum combined single limit of liability or \$25,000/\$50,000 for each "accident", which is the minimum split limits of liability, specified by UTAH CODE ANN. Section 31A-22-304. This supercedes any provision to the contrary. If the auto is a temporary substitute, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

Rental company means any person or organization in the business of providing private passenger motor vehicles to the public under the terms of a rental agreement.

#### C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.
  
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
  
3. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to, or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
  
4. "Bodily injury" suffered by any person while operating or "occupying" a "motor vehicle" without a reasonable belief that he or she is entitled to do so. Under no circumstances will a person whose license has been suspended, revoked or never issued be held to have a reasonable belief that he or she is entitled to operate a "motor vehicle".

#### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services or death, due to and arising out of any one "accident" is the Limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement and any Liability Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally liable.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any personal injury protection benefits or pension statutes or similar laws.

3. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering persons or organizations legally liable for the "accident".

#### E. Changes in Conditions

The Conditions for Utah Uninsured Motorists Coverage are changed as follows:

1. With respect to an "uninsured motor vehicle", the **Other Insurance Condition** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary and Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

- b. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible uninsured motorists insurance. We will pay only the amount by which the limit of insurance for this coverage exceeds the limits of such other insurance.

- c. If the coverage under this endorsement is provided:

- (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of insurance bears to the total of all applicable limits of insurance for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of insurance bears to the total of all applicable limits of insurance for coverage on an excess basis.

2. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- You or any other involved "insured" must promptly notify the police if a hit-and-run driver is involved;
- You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought; and
- You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of the claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the "accident" and all insurers who may be obligated to provide coverage.

3. **Legal Action Against Us** is changed by adding the following:

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Underinsured Motorist Coverage of this Coverage Form unless the "insured" has satisfied all of the things that "insured" is required to do under the terms and conditions of this endorsement. Any claim or "suit" for Underinsured Motorist Coverage must be brought within three (3) years of the date of the last payment made to the "insured" by the responsible party or the "insured's" insurer or legal representative. Our subrogation rights also must not be prejudiced.

4. **Transfer of Rights of Recovery Against Others to Us** is changed by adding the following:

- We shall be entitled to a recovery only after the "insured" has been fully compensated for damages.
- If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. The following Condition is added:

**ARBITRATION**

- a. If we and an insured do not agree:

(1) Whether that person is legally entitled to recover damages from a party responsible for the "accident"; or

(2) As to the amount of damages that may be recovered;

the matter may be settled by arbitration. However, disputes concerning coverage under this endorsement may not be arbitrated.

The "insured" and we must mutually agree to arbitrate the disagreements. If arbitration is used, each party will select an arbitrator. If the "insured" and we do not agree to arbitrate, then the disagreement will be resolved in a court of competent jurisdiction.

If arbitration is used, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days as to the third arbitrator, either may request that selection be made by a judge of a court having jurisdiction. Each party will:

(1) Pay the expenses it incurs; and

(2) Bear the expenses of the third arbitrator equally.

b. Unless both parties otherwise agree, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

(1) Whether the "insured" is legally entitled to recover damages from a party responsible for the "accident"; and

(2) The amount of damages.

However, this Condition does not apply if a small claims court having jurisdiction resolves the matter(s) upon which we and an "insured" do not agree.

ward or foster child, and principally used for agricultural.

2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office.

"Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails or any similar vehicle.

3. "Occupying" means in, upon, getting in, on, out or off.

4. "Uninsured motor vehicle" means a land "motor vehicle" or "trailer":

a. For which no liability bond or policy at the time of an "accident" provides at least \$65,000 for each "accident", which is the minimum combined single limit of liability or \$25,000/\$50,000 for each "accident", which is the minimum split limits of liability, specified by UTAH CODE ANN. Section 31A-22-304.

b. For which an insuring or bonding company:

(1) Denies coverage;

(2) Is or becomes insolvent; or

(3) Fails to confirm coverage within 60 days from the date such company receives notification of a claim by or on behalf of the insured.

c. That is a hit-and-run vehicle and neither the operator nor owner can be identified. The vehicle must either:

(1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying", or

(2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

We will only accept competent evidence which may include the testimony, under oath, of a person making claim under this or similar coverage.

However, "uninsured motor vehicle" does not include any "motor vehicle".

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, other than Utah motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b. Owned or operated by a self-insurer under Utah motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the applicable minimum limit for "bodily injury" liability
- c. Owned by any governmental unit or agency.
- d. Designed for use mainly off public roads while not on public roads.
- e. For which liability coverage is afforded under this Coverage Form.
- f. Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".

# UNINSURED / UNDERINSURED MOTORISTS COVERAGE

## OFFER AND OPTION SELECTION FORM - UTAH

In accordance with §31A-22-305 of the Utah Code, you may elect to purchase Uninsured Motorists Coverage in amounts less than the bodily injury liability limits under your motor vehicle liability policy. You may also elect to purchase Underinsured Motorists Coverage in amounts less than the bodily injury liability limits under your motor vehicle liability policy. You may also reject these coverages entirely.

To choose lower limits of Uninsured or Underinsured Motorists Coverage, you or your authorized representative must complete and sign this form. Your choice of coverage limits will remain in effect, even on renewals or replacements of this policy, unless you submit different choices to us in writing.

For a more detailed explanation of these coverages, refer to your policy.

### Uninsured Motorists Coverage - Bodily Injury

Uninsured Motorists Coverage compensates you, or other persons insured under your Uninsured Motorists Coverage, for amounts that person may be legally entitled to collect as damages from an owner or operator of an uninsured motor vehicle. An uninsured motor vehicle is a hit-and-run vehicle or a vehicle for which no bodily injury bond or insurance policy provides, at the time of the accident, at least \$65,000 combined single limit or \$25,000/\$50,000 in coverage, for each accident. An uninsured motor vehicle also includes a vehicle for which an insuring or bonding company either denies coverage, becomes insolvent, or fails to confirm coverage within 60 days from the date the company is notified of a claim by or on behalf of the insured.

If you elect to purchase uninsured motorist coverage with bodily injury liability limits equal to the limits of your motor vehicle liability coverage, you will be charged a premium (per coverage) in the amount of:

### Uninsured Motorists Coverage Limits of Liability

Split Limit Thousand Dollars	Premium		Single Limit	Premium	
	P.P. Types	Other than P.P. Types		P.P. Types	Other than P.P. Types
<input type="checkbox"/> 25/50	\$ 5.00	\$ 6.00	<input type="checkbox"/>	65,000	\$ 6.00
<input type="checkbox"/> 50/100	6.00	7.00	<input type="checkbox"/>	100,000	7.00
<input type="checkbox"/> 100/300	7.00	9.00	<input type="checkbox"/>	250,000	8.00
<input type="checkbox"/> 250/500	8.00	10.00	<input type="checkbox"/>	350,000	9.00
<input type="checkbox"/> 500/500	9.00	11.00	<input type="checkbox"/>	500,000	9.00
<input type="checkbox"/> 500/1,000	9.00	12.00	<input type="checkbox"/>	1,000,000	10.00
<input type="checkbox"/> 1,000/1,000	10.00	13.00			

I select Uninsured Motorists Coverage at limits that are less than the bodily injury liability limits of my policy.

### Uninsured Motorists Coverage Limits of Liability

Split Limit Thousand Dollars	Single Limit
<input type="checkbox"/> 25/50	65,000
<input type="checkbox"/> 50/100	100,000
<input type="checkbox"/> 100/300	250,000
<input type="checkbox"/> 250/500	350,000
<input type="checkbox"/> 500/500	500,000
<input type="checkbox"/> 500/1,000	1,000,000
<input type="checkbox"/> 1,000/1,000	
<input type="checkbox"/> Other	Other

I reject Uninsured Motorists Coverage.

**UNINSURED / UNDERINSURED MOTORISTS COVERAGE**

Page 30 of 40

**OFFER AND OPTION SELECTION FORM - UTAH**

In accordance with §31A-22-305 of the Utah Code, you may elect to purchase Uninsured Motorists Coverage in amounts less than the bodily injury liability limits under your motor vehicle liability policy. You may also elect to purchase Underinsured Motorists Coverage in amounts less than the bodily injury liability limits under your motor vehicle liability policy. You may also reject these coverages entirely.

To choose lower limits of Uninsured or Underinsured Motorists Coverage, you or your authorized representative must complete and sign this form. Your choice of coverage limits will remain in effect, even on renewals or replacements of this policy, unless you submit different choices to us in writing.

For a more detailed explanation of these coverages, refer to your policy.

**Uninsured Motorists Coverage - Bodily Injury**

Uninsured Motorists Coverage compensates you, or other persons insured under your Uninsured Motorists Coverage, for amounts that person may be legally entitled to collect as damages from an owner or operator of an uninsured motor vehicle. An uninsured motor vehicle is a hit-and-run vehicle or a vehicle for which no bodily injury bond or insurance policy provides, at the time of the accident, at least \$65,000 combined single limit or \$25,000/\$50,000 in coverage, for each accident. An uninsured motor vehicle also includes a vehicle for which an insuring or bonding company either denies coverage, becomes insolvent, or fails to confirm coverage within 60 days from the date the company is notified of a claim by or on behalf of the insured.

If you elect to purchase uninsured motorist coverage with bodily injury liability limits equal to the limits of your motor vehicle liability coverage, you will be charged a premium (per coverage) in the amount of:

**Uninsured Motorists Coverage Limits of Liability**

Split Limit Thousand Dollars	Premium		Single Limit	Premium	
	P.P. Types	Other than P.P. Types		P.P. Types	Other than P.P. Types
<input type="checkbox"/> 25/50	\$ 5.00	\$ 6.00	<input type="checkbox"/>	65,000	\$ 6.00
<input type="checkbox"/> 50/100	6.00	7.00	<input type="checkbox"/>	100,000	7.00
<input type="checkbox"/> 100/300	7.00	9.00	<input type="checkbox"/>	250,000	8.00
<input type="checkbox"/> 250/500	8.00	10.00	<input type="checkbox"/>	350,000	9.00
<input type="checkbox"/> 500/500	9.00	11.00	<input type="checkbox"/>	500,000	9.00
<input type="checkbox"/> 500/1,000	9.00	12.00	<input type="checkbox"/>	1,000,000	10.00
<input type="checkbox"/> 1,000/1,000	10.00	13.00			13.00

I select Uninsured Motorists Coverage at limits that are less than the bodily injury liability limits of my policy.

**Uninsured Motorists Coverage Limits of Liability**

Split Limit Thousand Dollars	Single Limit
<input type="checkbox"/> 25/50	<input type="checkbox"/> 65,000
<input type="checkbox"/> 50/100	<input type="checkbox"/> 100,000
<input type="checkbox"/> 100/300	<input type="checkbox"/> 250,000
<input type="checkbox"/> 250/500	<input type="checkbox"/> 350,000
<input type="checkbox"/> 500/500	<input type="checkbox"/> 500,000
<input type="checkbox"/> 500/1,000	<input type="checkbox"/> 1,000,000
<input type="checkbox"/> 1,000/1,000	
<input type="checkbox"/> Other	<input type="checkbox"/> Other

I reject Uninsured Motorists Coverage.

Underinsured Motorists Coverage compensates you, or other persons insured under your Underinsured Motorists Coverage, for amounts that person may be legally entitled to collect as damages from an owner or operator of an at-fault underinsured motor vehicle. An underinsured vehicle is a vehicle for which a bodily injury bond or insurance policy applies at the time of the accident, but the amount under the bond or policy is insufficient to pay the full amount the insured is entitled to recover.

If you elect to purchase underinsured motorist coverage with bodily injury liability limits equal to the limits of your motor vehicle liability coverage, you will be charged a premium (per coverage) in the amount of:

#### Underinsured Motorists Coverage Limits of Liability

Split Limit Thousand Dollars	Premium		Single Limit	Premium	
	P.P. Types	Other than P.P. Types		P.P. Types	Other than P.P. Types
<input type="checkbox"/> 10/20	\$ 4.00	\$ 3.00	<input type="checkbox"/>	20,000	\$ 6.00
<input type="checkbox"/> 25/50	8.00	7.00	<input type="checkbox"/>	50,000	13.00
<input type="checkbox"/> 50/100	14.00	11.00	<input type="checkbox"/>	65,000	15.00
<input type="checkbox"/> 100/300	25.00	20.00	<input type="checkbox"/>	100,000	21.00
<input type="checkbox"/> 250/500	39.00	31.00	<input type="checkbox"/>	250,000	36.00
<input type="checkbox"/> 500/500	43.00	34.00	<input type="checkbox"/>	350,000	42.00
<input type="checkbox"/> 500/1,000	51.00	41.00	<input type="checkbox"/>	500,000	49.00
<input type="checkbox"/> 1,000/1,000	56.00	45.00	<input type="checkbox"/>	1,000,000	60.00

I select Underinsured Motorists Coverage at limits that are less than the bodily injury liability limits of my policy.

#### Underinsured Motorists Coverage Limits of Liability

Split Limit Thousand Dollars	Single Limit
<input type="checkbox"/> 10/20	<input type="checkbox"/> 20,000
<input type="checkbox"/> 25/50	<input type="checkbox"/> 50,000
<input type="checkbox"/> 50/100	<input type="checkbox"/> 100,000
<input type="checkbox"/> 100/300	<input type="checkbox"/> 250,000
<input type="checkbox"/> 250/500	<input type="checkbox"/> 350,000
<input type="checkbox"/> Other	<input type="checkbox"/> Other

I reject Underinsured Motorists Coverage.

#### Uninsured Motorists Coverage - Property Damage

This coverage will only apply to motor vehicles insured on the policy that are not insured for collision coverage.

I select Uninsured Motorists Coverage - Property Damage, at a limit of \$3,500, subject to a \$250 deductible.

I reject Uninsured Motorists Coverage - Property Damage.

Subsequent renewal policies will not be changed to provide the rejected coverage unless you request such coverage in writing.

Attached to and forming part of Policy Number CAA 514 79 34 and any renewal or replacement thereof.

---

DATE

INSURED'S SIGNATURE

## UTAH PERSONAL INJURY PROTECTION OPTION SELECTION FORM

Personal Injury Protection must be provided on every auto required to be registered, except for motorcycles and trailers.

Basic Personal Injury Protection includes \$3,000 Medical Expense, Loss of Income and Earning capacity not to exceed \$250 per week, \$1,500 Funeral Expense and \$3,000 Survivor Loss.

Additional Personal Injury Protection may be provided to individual named insureds on policies covering individually owned autos. Select the applicable additional Personal Injury Protection coverage requested.

Option a (Medical Expense Benefits - \$5,000 and Income Benefits, per person per week - \$300).

Option b (Medical Expense Benefits - \$10,000 and Income Benefits, per person per week - \$350).

Exclusion of Loss of Income Benefits (applicable to Basic and Additional PIP).

Subsequent renewal policies will not be changed to provide the rejected coverage unless you request such coverage in writing.

Attached to and forming part of Policy Number CAA 514 79 34 and any renewal or replacement thereof.

---

DATE

---

INSURED'S SIGNATURE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTAH PERSONAL INJURY PROTECTION**

For a covered "auto" licensed or principally garaged in, or for "garage operations" conducted in, Utah, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective <b>11-26-2009</b>	Policy No. <b>CAA 514 79 34</b>
Named Insured <b>CLOUDNINE RESORTS-SKY LODGE MANAGEMENT LLC</b>	
Countersigned by	

(Authorized Representative)

**SCHEDULE**

Benefits	Limit Per Person
Medical Expenses	\$3,000
Work Loss	(a) Eighty-five percent of any loss of gross income and earning capacity, not to exceed the total of \$250 per week; (b) \$20 per day for inability to perform services for the household;
Funeral Expenses	\$1,500
Survivor Loss	\$3,000

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

We agree with you, subject to all of the provisions in this endorsement and to all of the provisions of the policy except as modified herein, as follows:

**A. Coverage**

We will pay Personal Injury Protection benefits in accordance with Title 31A, UTAH CODE ANNOTATED to or for an "insured" who sustains "bodily injury" caused by an "accident" arising out of the use of an "auto" as an auto.

Subject to the limits shown in the Schedule, these Personal Injury Protection benefits consist of:

**1. Medical Expenses**

Reasonable expenses incurred for necessary medical, surgical, x-ray, dental and rehabilitation services, including prosthetic

devices, necessary ambulance, hospital and nursing services, and any nonmedical remedial care and treatment rendered in accordance with a recognized religious method of healing; however, it does not include expenses in excess of those for a semi-private room, unless more intensive care is medically required.

**2. Work Loss**

- a. Loss of income and loss of earning capacity by the "insured" during his or her lifetime, from inability to work during a period commencing three days after the date of the loss of income and earning capacity resulting from the "bodily injury" and continuing for a maximum of 52 consecutive weeks thereafter. If such "insured's" inability to work continues in excess of a total of two consecutive weeks after the date of the loss of income and earning capacity resulting from the "bodily injury", this three day elimination period shall not be applicable; and
- b. An allowance for services actually rendered or reasonably incurred that, but for the "bodily injury" the "insured" would have performed during his or her lifetime for his or her household commencing three days after the date of the "bodily injury" and continuing for a maximum of 365 consecutive days thereafter. If such "insured's" inability to perform such services continues in excess of 14 consecutive days after the date of the "bodily injury", this three day elimination period shall not be applicable.

**3. Funeral Expenses**

Funeral, burial or cremation expenses incurred.

**4. Survivor Loss**

Compensation on account of the death of the "insured" and is payable only to natural persons who are the "insured's" heirs.

**B. Who is an Insured**

1. You, unless you are injured in an "accident" which resulted from the use or operation of any motor vehicle which is owned by you and which is not a covered "auto".
2. If you are an individual, any "family member", unless the "family member" is injured in an "accident" which resulted from the use or operation of any motor vehicle which is owned by such "family member" and which is not a covered "auto".
3. Any person while "occupying" a covered "auto" with the consent of the "insured", except your customers, if your business is shown in the Declarations as a rental company. However, if the customer of a rental company has no other valid and collectible insurance, they are "insured", but only up to the minimum personal injury protection coverage and benefits amount specified by UTAH CODE ANN. Section 31A-22-307.

This supercedes any provision to the contrary.

Rental company means any person or organization in the business of providing private passenger motor vehicles to the public under the terms of a rental agreement.

4. Any person while "occupying" any other "auto" other than a public or livery conveyance, operated by you or a "family member".
5. A "pedestrian" if the "accident" involves the use of a covered "auto".

**C. Exclusions**

We will not pay Personal Injury Protection benefits for "bodily injury":

1. Sustained by the "insured" while "occupying" an "auto" owned by, or furnished for the regular use of, that "insured", or if you are an individual, any "family member", that is not a covered "auto".
2. Sustained by any person while operating the covered "auto" without the express or implied consent of the "insured" or while not in lawful possession of the covered "auto".
3. Sustained by a "pedestrian" if the "accident" occurs outside the state of Utah. This exclusion does not apply, if you are an individual, to you or any "family member".
4. Sustained by any person if such person's conduct contributed to his injury under either of the following circumstances:
  - a. Causing injury to himself or herself intentionally, or
  - b. While committing a felony.
5. Sustained by any person arising out of the use of any "auto" while located for use as a residence or premises.
6. Due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing.
7. Resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material.

**D. Limit of Insurance**

1. Regardless of the number of "insureds", policies or bonds applicable, claims made, premiums paid or covered "autos" to which this coverage applies, the most we will pay for Personal Injury Protection benefits for "bodily injury" sustained by an "insured" in any one "accident" is the Limit Per Person amount shown in the Schedule.

2. Any amount payable under this coverage will be reduced by the amount paid, payable or required to be provided for "bodily injury":
  - a. Under any workers' compensation plan or any similar statutory plan;
  - b. By the United States or any of its agencies because of his or her being on active duty in the military services;

#### E. Changes in Conditions

The following is added to the **Duties in the Event of Accident, Claim, Suit or Loss Condition:**

- d. If an "insured" or his or her legal representative or survivor institutes legal action to recover damages for "bodily injury", he or she must promptly give us a copy of the summons and complaint or other process served in connection with the legal action.
- e. The "insured" or someone on his or her behalf must promptly give us written proof of claim, under oath if required, including:
  - (1) Full particulars of the nature and extent of the "bodily injury", treatment and rehabilitation received and contemplated; and
  - (2) Such other information that will help us determine the amount due and payable.

The following Conditions are added:

#### REIMBURSEMENT AND TRUST

1. If we make any payment to any "insured" under this coverage and that person recovers from another party, he or she shall hold the proceeds in trust for us and pay us back the amount we have paid. We will have a lien against such payment, and may give notice of the lien to the person or organization causing "bodily injury", his or her agent or insurer or a court having jurisdiction in the matter.
2. Any "insured" receiving payment must hold in trust for our benefit all rights of recovery he or she has against the party causing "bodily injury".
3. That person must do everything necessary to secure such rights and must do nothing to impair them.
4. That person must execute and deliver to us instruments and papers that may be appropriate to secure his or her and our rights and obligations established by this provision.

#### COORDINATION AND NON-DUPLICATION

1. No "insured" may recover duplicate payments for the same elements of "loss" under this or any other insurance.

2. This insurance is primary only for "bodily injury" sustained by an "insured" in an "accident" arising out of the use or operation of a covered "auto".
3. If an "insured" is entitled to Personal Injury Protection benefits under more than one policy, the maximum recovery under all policies combined will not exceed the amount payable under the policy with the highest dollar limit of benefits. Our share is the proportion that our Limit of Insurance bears to the total of all applicable limits covering on the same basis.
4. Personal Injury Protection benefits paid or payable under this Coverage Form or any other Coverage Form or policy providing auto insurance because of "bodily injury" sustained by an "insured" shall be primary to any Auto Medical Payments Coverage provided under this Coverage Form.

#### PREMIUM RECOMPUTATION

The premium for this policy is based on rates which have been established in reliance upon the limitations on the right to recover for damages imposed by the provisions of Title 31A, UTAH CODE ANNOTATED. If a court declares any of these provisions unenforceable, we have the right to recompute the premium, and the provisions of this endorsement are voidable or subject to amendment at our option.

#### F. Additional Definitions

As used in this endorsement:

1. "Auto" means every self-propelled vehicle which is designed for use upon a highway, including trailers and semi-trailers designed for use with such vehicles, except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers, and every vehicle which is propelled by electric power obtained from overhead wires but not operated on rails.
2. "Family member" means a person related to you by blood, marriage or adoption, including a ward or foster child, who is a resident of your household, whether or not temporarily residing elsewhere.
3. "Occupying" means being in or upon an "auto" as a passenger or operator or engaged in the immediate acts of entering, boarding or alighting from an "auto".
4. "Pedestrian" means any person not "occupying" or riding upon an "auto".

Page 36 of 40 □ PLEASE READ IT CAREFULLY.

## LOSS PAYABLE CLAUSE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto".
- B. The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C. We may cancel the policy as allowed by the CANCELLATION Common Policy Condition.

2008 CHEVY EXPRESS VAN  
WELLS FARGO EQUIPMENT FINANCE INC  
ITS SUCCESSORS & ASSIGNS  
MAC N9306-070  
733 MARQUETTE AVENUE  
SUITE 700  
MINNEAPOLIS MN 55402

Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy we will mail you and the loss payee the same advance notice.

- D. If we make any payments to the loss payee, we will obtain his or her rights against any other party.

1GNFH154281148197

2008 CHEVY EXPRESS VAN  
WELLS FARGO EQUIPMENT FINANCE INC  
ITS SUCCESSORS & ASSIGNS  
MAC N9306-070  
733 MARQUETTE AVENUE  
SUITE 700  
MINNEAPOLIS MN 55402

1GNEH154381148564

Easy Street Partners, LLC  
Case NO: 09-29907

Exhibit 5.

Workers Compensation Insurance

Policy Number: **WC10544209**FEIN: 20-5627243 PID: 1209TRU073543Insured: The Sky Lodge, LLCEffective Date: 12/1/2009

Class Codes	Classification Description	Estimated Annual Payroll	Rate per \$100 Payroll	State	Estimated Premium
8810	Clerical office employees NOC	\$190,000.00	\$0.19	UT	\$361.00
9052	Hotel & salespersons, drivers-all other than restaurant employees	\$523,800.00	\$1.82	UT	\$9,533.16
9058	Hotel-restaurant employees	\$571,900.00	\$1.36	UT	\$7,777.84
8810	William Shoaf	\$38,400.00	\$0.19	UT	\$72.96

Annual Gross Payroll: \$1,324,100.00 Manual Premium: \$17,744.96

Employers Liability %:	<u>0.00%</u>	<u>\$0.00</u>
Experience Modification:	<u>1.05</u>	<u>\$887.25</u>
Schedule Rating:	<u>0.850</u>	<u>(\$2,794.83)</u>
Premium Size Discount %:	<u>7.46%</u>	<u>\$1,181.27</u>
Terrorism Risk Insurance Act:	<u>0.01</u>	<u>\$132.41</u>
Domestic Terrorism Coverage:	<u>0.01</u>	<u>\$132.41</u>
Expense Constant:		<u>\$150.00</u>

Minimum Premium: \$500.00 Total Estimated Annual Premium: \$15,070.93If the policy is cancelled prior to expiration the Final Premium will not be less than the Minimum Premium. Monthly Amount: \$677.00



## INFORMATION PAGE

Policy Number: WC10544209

Renewal of: WC10544208

### NCCI CARRIER CODE 29264

**1. Insured and Mailing Address:**

The Sky Lodge, LLC

P.O. Box 683300

Park City, UT 84068

Legal Entity: Limited Liability Company(LLC)

FEIN #: 20-5627243

Board File #:

Policy ID: 1209TRU073543

OTHER WORKPLACES NOT SHOWN ABOVE: See Extension of Information Page.

**2. The policy period is from:** 12/1/2009 12:01 A.M. to 12/1/2010 12:01 A.M. at the Insured's mailing address.

**3.A. Workers Compensation Insurance:** Part One of the policy applies to the Workers' Compensation Law of the states listed here: UTAH

**B. Employers Liability Insurance:** Part Two of the policy applies to work in each state listed in Item 3.A.

The limits of our liability under Part Two are:

Bodily Injury by Accident	<u>\$100,000</u>	Each Accident
Bodily Injury by Disease	<u>\$500,000</u>	Policy Limit
Bodily Injury by Disease	<u>\$100,000</u>	Each Employee

**C. Other States Insurance:** None

**D. This policy includes these endorsements and schedules:**

WC 00 00 01 A, WC 00 00 00 A, WC 00 03 03 C, WC 00 04 03, WC 00 04 06 A, WC 00 04 14, WC 00 04 19, WC 00 04 21 C, WC 00 04 22 A, WC 43 06 01, WC 43 06 02

**4. Premium for this coverage:** Will be determined by our Manual of Rules, Classifications, Rates and Rating Plan.

All following information is subject to verification and change by audit: See Extension of Information Page

Total Estimated Annual Premium: \$15,070.93

Minimum Premium: \$500.00 Deposit Premium: \$8,300.00

Interim Adjustment of Premium Shall Be Made: MONTHLY

Interim Reporting or Payment of Premium Shall Be Made: MONTHLY

Agency:

Agency Code:

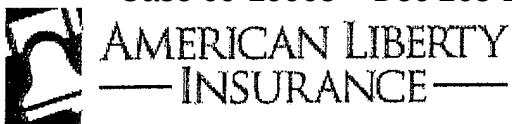
By Luke Skiff

Authorized Representative:

Countersigned at Midvale on: 1/5/2010

**WC 00 00 01 A**

American Liberty Insurance ■ 3601 North University Avenue, Suite 100 ■ Provo, UT 84604



## Owners / Officers Exclusion

Policy Number: WC10544209

FEIN #: 20-5627243

Policy ID: 1209TRU073543

Name: The Sky Lodge, LLC

### **PARTNERS, OFFICERS AND OTHERS EXCLUSION ENDORSEMENT**

This policy does not cover bodily injury to any person described in the schedule. The premium basis for the policy does not include the remuneration of such persons. You will reimburse us for any payments we must make because of bodily injury to such persons.

#### **Schedule**

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Policy No. WC10544209

Insured The Sky Lodge, LLC

Insurance Company American Liberty Insurance

**Luke Skiff**

Authorized Representative: